

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6664**

**BILL NUMBER: SB 222**

**DATE PREPARED:** Dec 14, 2001

**BILL AMENDED:**

**SUBJECT:** Fraudulent Schemes Relating to Health Care Providers.

**FISCAL ANALYST:** Karen Firestone

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**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** The bill prohibits an owner or employee of certain health care providers from receiving money or assets as a loan or gift from an individual who receives care from the provider and it makes the penalty for committing the offense a Class A infraction. The bill permits an otherwise prohibited gift if it is made in writing before two disinterested witnesses. The bill also permits a court to order the health care provider to return assets or repay the money with interest.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** There are no data available to indicate how many health care providers may receive a gift or loan of money or assets from a person who has received services from that provider without the transaction being executed in writing and witnessed by two disinterested parties. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class A infraction is \$10,000 which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the

county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:**

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:**